

INFORMATION REPORT

COUNTRY China

SUBJECT New Issue of Victory Bonds/Smuggling of Rice

PLACE
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1. [redacted] many of the shops in Sinyang have been closed. Business is at a standstill for most people. It is said that grains and all foodstuffs in China are exceedingly cheap, yet people cannot purchase them, for they are stripped of all funds. That has come to pass through taxation and the purchase of Victory bonds.
2. "Now a new issue of bonds is heralded and one wonders what the people will use or sell for conversion to the necessary currency.
3. "Food prices [redacted] in Hong Kong are about four times as high as they are in Canton and across the Border, and so there are attempts at smuggling rice across the river that divides New Territories from Communist China. Ten such smugglers were shot and killed last Saturday morning. Others were wounded by the Communist Border guard."

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